



U.S. Department of Justice

Brett L. Tolman

**United States Attorney
District of Utah**

**FOR IMMEDIATE RELEASE
Sept. 12, 2007**

**CONTACT: MELODIE RYDALCH
801-325-3206
801-243-6475 (CELL)**

PRESS RELEASE
***GRAND JURY RETURNS INDICTMENT
IN CONNECTION WITH
SMALL WONDERS DEVELOPMENT CENTER

50-COUNT INDICTMENT CHARGES FIVE INDIVIDUALS
WITH BANK, MAIL, AND WIRE FRAUD;
AGGRAVATED IDENTITY THEFT; HEALTH CARE FRAUD***

SALT LAKE CITY – A 50-count federal grand jury indictment unsealed today charges Michaela Muree Meier, 32, a former resident of Herriman currently living in California, and four other individuals associated with her and Small Wonders Development Center of Herriman with mail, wire, and bank fraud; health care fraud; and aggravated identity theft.

Meier was arrested last week in California on a federal warrant after the grand jury returned the indictment on Aug. 30, 2007. She had an initial appearance and detention hearing this morning in Salt Lake City. Federal prosecutors asked U.S. Magistrate Samuel Alba to detain her pending sentencing but the judge ordered her released with conditions of pre-trial supervision. She is charged with 25 counts of bank fraud; nine counts of

mail fraud; four counts of wire fraud; six counts of health care fraud; and six counts of aggravated identity theft.

Members of the Utah Identity Theft Task Force are participating in the investigation of the case, including the U.S. Postal Inspection Service, the U.S. Secret Service, the FBI, and the Salt Lake County Sheriff's Office.

Also charged in the indictment are Brandy Lee Essary, age 32, of Riverton; Leslie Suzanne Zimmerman, age 24, of West Jordan; Tanya Lee Robertson, age 34, of Midvale; and Jason Trevor Scharf, age 33, currently incarcerated at the Utah State Prison. Federal arrest warrants have been issued for Zimmerman and Robertson. A summons has been issued for Essary to appear in federal court for an initial appearance. Scharf will have an initial appearance Oct. 17, 2007, at 10 a.m.

At times relevant to the indictment, Zimmerman, Meier's sister, was a business associate; Essary was a business associate of Meier and Zimmerman; Robertson was an employee at Small Wonders Development Center; and Scharf was an employee at the center and Robertson's boyfriend. Small Wonders Development Center, located at 5724 West 13400 South, Herriman, was a corporation registered with Herriman City to provide day care services. Meier was the owner and operator of the business. Defendants charged in the indictment are presumed innocent unless or until proven guilty in court.

"Identity theft takes many forms as we see in the charges alleged in this indictment. From health care fraud to bank fraud, identity thieves target individuals and businesses with their illegal fraud and theft schemes," U.S. Attorney for Utah Brett L. Tolman said. "These crimes have touched many Utahns. Aggressively investigating and prosecuting these crimes, seeking federal minimum mandatory sentences where appropriate, will continue to be a priority for the U.S. Attorney's Office and our local, state, and federal law enforcement partners," Tolman said.

Joseph Schouten, U.S. Postal Inspector in Charge in Salt Lake City, emphasized the coordinated law enforcement effort involved in investigating the case. "Identity theft schemes, as we see in this indictment, often cross jurisdictional boundaries in our communities and involve several law enforcement agencies. The Utah Identity Theft Task Force brings these

assets and resources together to effectively target those individuals committing identity theft in our communities,” Schouten said.

“The indictment unsealed today follows an investigation that has gone on for quite some time,” Glenn J. Passey, Resident Agent in Charge of the U.S. Secret Service, said. “The indictment represents significant investigative efforts on the part of the Secret Service and several other local, state, and federal agencies. We are happy to have the case reach the indictment stage,” Passey said.

The indictment charges the defendants with violations of federal law in connection with a variety of fraud and identity theft schemes.

For example, the indictment includes allegations of fraud related to the obtaining of several loans using the personal information of another person without his/her permission. Counts three through five of the indictment refer to a scheme Meier allegedly devised in an effort to get playground equipment in the amount of \$19,511.90 from Great Western Park and Playgrounds, Inc., in Wellsville, Utah. The indictment alleges that in March 2005, Meier, representing herself as “L.S.” entered into an equipment finance agreement with Alliance Funding Group, Inc., in an effort to obtain funding to purchase the equipment. Using the allegedly fraudulent representations of Meier, “L.S.” was required to pay Alliance Funding Group, Inc., \$515.58 every month for 60 months. Based on the fraudulent scheme, Alliance Funding mailed checks to the playground equipment company and the Utah State Tax Commission. There are other similarly charged loan fraud schemes in the indictment.

The indictment also includes allegations of health care fraud schemes. For example, counts 14-18 of the indictment allege Scharf and Meier devised a scheme to pay for Scharf to have wrist surgery. In August, 2005, according to the indictment, Scharf went to a physician’s office in Salt Lake City. To facilitate the process, Scharf assumed the identity of “F.C.,” another person. The indictment alleges Scharf filled out relevant paperwork using “F.C.’s” name and presented a CIGNA Health Care Insurance card belonging to “F.C.,” which he had obtained from Meier. Surgery was performed in October 2004. As a result of the surgery and related health care needs and treatment obtained through false representations, the indictment alleges the pair caused Cigna Health Care to make four payments to health care providers and medical facilities.

Several counts of the indictment (counts 31-48) relate to a scheme to prepay employees prior to closing the development center via bankruptcy. According to the indictment, in February 2006, Meier called a meeting of employees where she informed them she planned to close the development center via bankruptcy and open a preschool. Meier indicated that she wanted the continued services of her employees and was going to pre-pay them for work they were to perform through March 1, 2006. The indictment indicates Meier was going to include these pre-paid wages as part of the upcoming bankruptcy proceeding. Meier then directed Essary and Zimmerman to sign Mountain America Credit Union checks, which were given to the employees. She then instructed the employees not to present the checks to any branch office of Mountain America Credit Union, but to take them to other stores or check-cashing facilities. Several checks were negotiated by the employees.

The final two counts of the indictment, wire fraud, relate to a scheme the indictment alleges Meier devised to fraudulently obtain money from a homeowners insurance policy. The indictment alleges that in May 2006, Meier initiated the process of filing a claim on her policy based on a reported home burglary. During the claim process, according to the indictment, she submitted documentation in support of a claim that several items had been stolen, including what the indictment alleges was a fraudulent receipt for skis and related equipment. Meier claimed about \$15,000 of equipment was stolen from her home, when in truth it was not.

“The FBI will continue to work with its law enforcement partners on the Identity Theft Task Force to investigate individuals, such as those included in this indictment, who engage in identity theft and fraudulent activity as a matter of routine. Individuals who would exploit their business relationships with customers and suppliers by engaging in such activity will be investigated thoroughly in order to uncover the scope of those schemes, which take many forms,” FBI Special Agent in Charge Tim Fuhrman said today.

###

